

RESOLUTION NO. 180
MAJOR LEAGUE SOCCER

WHEREAS, for over one hundred years the City of St. Louis has been a hotbed for soccer in the United States, having fostered a love of the beautiful game in thousands of players, many of whom have gone on to be collegiate stars, Olympians, and professionals playing in the United States and abroad, with twenty-nine St. Louisans having been inducted into National Soccer Hall of Fame; and,

WHEREAS, Major League Soccer (MLS) is a professional soccer league representing the game's highest level in the United States and Canada, and is one of the major league sports leagues in both nations; and,

WHEREAS, the MLS has awarded teams to twenty-six cities in North America, including most recently Cincinnati and Nashville, and is in the process of considering expansion to additional cities; and,

WHEREAS, St. Louis is ripe for becoming a successful MLS market; and,

WHEREAS, a St. Louis based majority women owned ownership group (the "Ownership Group") has come forward and is willing to devote major financial resources to the task of securing an MLS team and, with the support of the City of St. Louis and the State of Missouri, developing a new soccer stadium in the City of St. Louis; and,

WHEREAS, the presence of an MLS team will strengthen our City by bringing together soccer fans of all races, genders, ages, ethnicities, faiths and classes, unified in their love of soccer and pride in their City; and,

WHEREAS, the Ownership Group effort to secure a team and build a stadium differs from earlier efforts by relying more on the Ownership Group's investment rather than public incentives; and,

WHEREAS, Development Strategies has produced for MLS4THELOU a "Study of the Projected Economic Impact of the MLS Team and Stadium on St. Louis and Missouri, dated October 24, 2018 (hereafter, the "Impact Study");

WHEREAS, the proposed financing structure requires no current tax revenue to be allocated by the City of St. Louis and instead of relying on City of St. Louis appropriations includes three dedicated stadium-only sales taxes. Because the Impact Study estimates that 92% of fans will come from outside of the City this has the effect of regionalizing a portion of the financial support for the stadium; and,

WHEREAS, The Impact Study estimates that the construction of the stadium will generate \$180 million in direct and indirect economic output supporting 341 full time equivalent jobs; and,

WHEREAS, the Impact Study also estimates that the team will annually bring an estimated 370,000 fans from outside of the City of St. Louis into the City with an estimated total fan spending of \$8,400,000 annually, resulting in 175 direct and indirect jobs within the City and this activity will yield to local taxing bodies at least \$1,334,000 in the first year of operation, of which \$992,000 will come to the City of St. Louis.

Now therefore, be it resolved by the Board of Aldermen as follows:

1. We hereby strongly support the efforts by the Ownership Group led by the Taylor family and Kavanaugh family to secure an MLS team for the City of St. Louis.

2. We urge the St. Louis business and civic community to join in the support of the application to help make it a reality.

3. We urge officials at St. Louis Development Corporation, the Land Clearance for Redevelopment Authority (“LCRA”), LCRA Holdings Corporation (“LCRAHC”), the Port Authority, the City of St. Louis itself (collectively “City Officials”) and officials of other public entities to take all prudent and reasonable actions to assist in putting in place the enactments necessary to make the procurement of an MLS team and the creation of a stadium a reality.

4. We have been made aware of certain specific actions necessary for the successful procurement of a team and the creation of a stadium for in which to play and we hereby specifically endorse the following actions, subject to negotiation of formal legal agreements:

a. The cooperation of LCRA, LCRAHC, the Port Authority and the City in the creation and use of a stadium specific community improvement district, a transportation development district, and a port improvement district, the Boards of which will be governmentally controlled provided that the Ownership Group will have the right to one board member on each district, all of which will levy a 1% sales tax only in the stadium area to assist with infrastructure and other construction costs as provided in the relevant statutes;

b. LCRA or LCRAHC acquiring land currently owned by the Missouri Highway and Transportation Commission immediately west of Union Station in the western portion of downtown and entering into a triple net lease of at least thirty years with the Ownership Group for the soccer stadium and providing full tax exemption or abatement, with said lease fully reimbursing LCRA or LCRAHC for all costs associated with the acquisition of the property;

c. An exemption from fifty percent of the City amusement tax and the deposit of the proceeds of the remaining amusement tax revenue that is collected from the activities at the stadium into an escrow fund (the “Soccer Stadium Improvement / Demolition Fund”) annually by the City to support major future improvements to the stadium, and, if warranted, the demolition of the stadium; and,

d. An exemption from sales tax on construction materials for the stadium construction which will save between four and five million dollars in construction costs.

5. We urge officials of the State of Missouri and its’ various agencies to work with City officials and with the Ownership Group to make available a stadium site at a reasonable cost and to support the installation of infrastructure to create a buildable site for the stadium.

6. We understand that the Ownership Group is committed to full compliance with all City laws, rules, and proclamations for the utilization of MBE/WBE firms and the City’s workforce goals in the construction of the stadium and that all future agreements entered into by City officials relating to the construction of a stadium will require full compliance with all such City laws, rules, and proclamations.

7. The Clerk of the Board of Aldermen is hereby directed to provide a certified copy of this resolution to the Major League Soccer officials indicating our strong support of the application of the Ownership Group.

Introduced this 16th day of November, 2018 by:

The Honorable Lewis E. Reed, President of the Board of Aldermen

The Honorable Jack Coatar, Alderman 7th Ward
The Honorable Joseph Roddy, Alderman 17th Ward
The Honorable Jeffrey Boyd, Alderman 22nd Ward
The Honorable Thomas Oldenburg, Alderman 16th Ward
The Honorable Lisa Middlebrook, Alderwoman 2nd Ward
The Honorable Joseph Vaccaro, Alderman 23rd Ward
The Honorable Joe Vollmer, Alderman 10th Ward
The Honorable Marlene Davis, Alderwoman 19th Ward
The Honorable Pamela Boyd, Alderwoman 27th Ward
The Honorable John Collins-Muhammad, Alderman 21st Ward
The Honorable Larry Arnowitz, Alderman 12th Ward
The Honorable Frank Williamson, Alderman 26th Ward
The Honorable Carol Howard, Alderwoman 14th Ward
The Honorable Beth Murphy, Alderwoman 13th Ward
The Honorable Tammika Hubbard, Alderwoman 5th Ward
The Honorable Brandon Bosley, Alderman 3rd Ward

Adopted this 16th day of November, 2018 as attested by:

Louis Galli
Clerk, Board of Aldermen

Lewis E. Reed
President, Board of Aldermen